

FIGARO FINANCE LIMITED

(a limited liability company incorporated under the laws of Jersey)

€452,600,000 3.875 per cent. Secured Exchangeable Bonds due 2009 Exchangeable for Ordinary Shares of Vallourec S.A.

Figaro Finance Limited (the “Issuer”) accepts full responsibility for the accuracy of the information contained in this Information Memorandum and n li7.oi Pursuant to the Subscription Agreement, having Pursuant to the Subscription Agreement ade reasonable enquiry, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement within the Information Memorandum misleading.

The issue price of the €452,600,000 3.875 per cent. Secured Exchangeable Bonds due 2009 (the “Bonds”) is 100 per cent. of their nominal amount. The Bonds will bear interest from (and including) 18 September 2006 (the “Closing Date”) at the rate of 3.875 per cent. per annum of the principal amount thereof, payable annually in arrear on 18 September of each year (commencing on 18 September 2007). The Bonds will be secured limited recourse obligations of the Issuer, ranking *pari passu* without any preference among themselves. Subject to a postponement of maturity due to market disruptions, the Bonds will mature on 18 September 2009 (the “Maturity Date”).

Unless previously exchanged or otherwise redeemed by the Issuer, each Bond will, at the option of the Bondholder (as defined herein), be exchangeable (the “Exchange Right”) at any time during an exchange period (the “Exchange Period”) from and including 21 October 2006 to and including the day falling 20 Stock Exchange Trading Days prior to the Maturity Date, into a *pro rata* share of the “Reference Property”, which will initially consist of 2,920,000 ordinary shares in Vallourec S.A. (“Vallourec”) (the “Vallourec Shares”). At the Closing Date, the total number of Vallourec Shares into which the Bonds will become exchangeable is 2,920,000. The Reference Property is subject to adjustment in certain events. The Exchange Period will end prior to the day falling 20 Stock Exchange Trading Days prior to the Maturity Date if the Issuer exercises an option to early exchange or redeem the Bonds before the Maturity Date.

Application will be made for the Bonds to be admitted for trading on the Euro MTF, which is the alternative market of the Luxembourg Stock Exchange, and listed on the Official List of the Luxembourg Stock Exchange. The Euro MTF is not a regulated market pursuant to the provisions of Directive 2004/39/EC.

The Vallourec Shares are listed and traded on a regular basis on the Euronext Paris Eurolist.

Unless previously exchanged or redeemed, each Bond outstanding on the Maturity Date shall be mandatorily exchanged for the Relevant Proportion of the Reference Property on the Maturity Date (see “Terms and Conditions of the Bonds—Mandatory Exchange”).

The Issuer will use the proceeds from the issuance of the Bonds to purchase the Vallourec Shares underlying the Bonds. The Issuer has entered into a securities loan agreement with Deutsche Bank on 18 September 2006 (the “Securities Loan Agreement”). The claims of the Issuer under the Securities Loan Agreement constitute the sole assets of the Issuer (the “Assets”). Pursuant to a security assignment agreement entered into by and between the Issuer, Deutsche Bank and the Security Trustee on 18 September 2006 (the *Security Assignment Agreement*), the Issuer has assigned the Assets to the Security Trustee as security agent for the benefit of the Bondholders in order to secure the rights of the Bondholders under the Bonds. **All claims of the Bondholders against the Issuer are limited to the Assets. Other than the distribution of the proceeds from and enforcement or other realization of the Assets, the Issuer is not obliged to make further distributions to the Bondholders. If the Assets are not sufficient for a final settlement in full of the claims of the Bondholders against the Issuer, the Issuer will not be liable for any outstanding amounts and the Bondholders are not entitled to any further claims against the Issuer.**

The Bonds will be represented by interests in a permanent global certificate (a “Global Certificate”), without interest coupons, which will be registered in the name of a nominee for, and shall be deposited on the Closing Date with a common depository on behalf of, Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”).

THE BONDS WILL BE OBLIGATIONS SOLELY OF THE ISSUER AND WILL NOT BE GUARANTEED BY, OR BE THE RESPONSIBILITY OF, ANY OTHER ENTITY.

JOINT BOOKRUNNERS

Deutsche Bank

Lehman Brothers

Investing in the Bonds involves a high degree of risk. The attention of potential investors is drawn to the sections headed “Investor Suitability” on page 5 and “Risk Factors” on pages 7 and 8 of this Information Memorandum.

The date of this Information Memorandum is 18 September 2006.

Except as set out below, the Issuer accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that this is the case), the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The delivery of this Information Memorandum at any time does not imply that any information contained herein is correct at any time subsequent to the date hereof.

The information contained in this Information Memorandum relating to Vallourec and the Vallourec Shares has been reproduced from, or is a summary of, publicly available information published by Vallourec. The Issuer accepts responsibility for the accuracy of such extraction and reproduction or summary but accepts no further or other responsibility in respect of such information. Nothing has come to the attention of the Issuer that would cause it to believe either that such information is not correct and complete in all material respects or that there has been any development of a material nature affecting Vallourec which is not described in this Information Memorandum.

Vallourec has not participated in the preparation of this Information Memorandum or in establishing the terms of the Bonds. Consequently, there can be no assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available documents described in the preceding paragraph or the section titled “Overview of Vallourec and the Vallourec Shares”) that would affect the trading price of the Vallourec Shares, and therefore the value of the Bonds, have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning Vallourec could affect the trading prices of the Vallourec Shares deliverable upon exchange of the Bonds and therefore the value of the Bonds.

No person has been authorized to give any information or to make any representation other than those contained in this Information Memorandum in connection with the issue or sale of the Bonds and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or the Joint Bookrunners (as defined in the “Summary”).

This Information Memorandum may only be used for the purposes for which it has been published.

This Information Memorandum is to be read in conjunction with all the documents which are deemed to be incorporated herein by reference (see “Information Incorporated by Reference”).

The distribution of this Information Memorandum and the offering or sale of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restriction. The Bonds have not been and will not be registered under the U.S. Securities Act. The Issuer has not registered and will not register under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”). Consequently, the Bonds may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the Securities Act) except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require the Issuer to register under the Investment Company Act. For a description of certain restrictions on offers and sales of Bonds, restrictions on others and sales of Vallourec Shares deliverable on exchange of a Bond and on distribution of this Information Memorandum, see “Subscription and Sale and Transfer Restrictions”.

A copy of this Information Memorandum has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002 and he has given, and has not withdrawn, his consent to its circulation. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958, as amended, to the issue of the Bonds. It must be distinctly understood that, in giving these consents, neither the registrar of companies in Jersey nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made or opinions expressed with regard to it. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against any liability arising from the discharge of its functions under that law.

The Joint Bookrunners have not separately verified the information contained herein and accordingly the Joint Bookrunners do not make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the

information contained herein or in any further information, notice or other document which may at any time be supplied in connection with the Bonds or their distribution and none of them accepts any responsibility or liability therefor. The Joint Bookrunners do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Bookrunners.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, references to “euro”, “EUR” or “€” are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty of European Union as amended by the Treaty of Amsterdam.

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INVESTOR SUITABILITY

Prospective investors should determine whether an investment in the Bonds is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in any Bonds and to arrive at their own evaluation of the investment.

Attention is drawn, in particular, to “Risk Factors” below.

Investment in the Bonds is only suitable for investors who:

- (1) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Information Memorandum and the merits and risks of an investment in the Issuer in the context of such investors' financial position and circumstances;
- (2) are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time;
- (3) are acquiring the Bonds for their own account for investment, not with a view to resale, distribution or other disposition of the Bonds (subject to any applicable law requiring that the disposition of the investor's property be within its control);
- (4) recognize that it may not be possible to make any transfer of the Bonds for a substantial period of time, if at all; and
- (5) are banks, investment banks, pension funds, insurance companies, securities firms, investment institutions, central governments, large international or supranational organisations or other entities, including, *inter alia*, treasuries and finance companies of large enterprises which are active on a regular and professional basis in the financial markets for their own account.

It should be remembered that the price of securities and the income from them can go down as well as up.

Investors' attention is also drawn to the Taxation section of this Information Memorandum.

The tax consequences for each investor in the Bonds can be different and therefore investors are advised to consult with their tax advisers as to their specific consequences.

INFORMATION INCORPORATED BY REFERENCE

The following shall be deemed incorporated in, and form part of, this Information Memorandum:

- (i) the articles of incorporation of the Issuer;
- (ii) the 2005 Annual Report of the Vallourec Group for the financial year ended 31 December 2005;
- (iii) the 2004 Annual Report of the Vallourec Group for the financial year ended 31 December 2004.

As long as the Bonds are admitted to trading on the Euro MTF and listed on the Official List of the Luxembourg Stock Exchange, the articles of incorporation of the Issuer may be inspected and are available free of charge at the offices of HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom.

Copies of the documents referred to in (ii) and (iii) above may be obtained from Vallourec's website (www.vallourec.fr).

RISK FACTORS

General

Purchasers of Bonds should conduct such independent investigation and analysis regarding the Issuer, Vallourec, the Vallourec Shares, the security arrangements and the Bonds and all other relevant market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Bonds. The Issuer and the Joint Bookrunners disclaim any responsibility to advise purchasers of Bonds of the risks and investment considerations associated with the purchase of the Bonds as they may exist at the date hereof or from time to time thereafter. However, as part of such independent investigation and analysis, prospective purchasers of Bonds should consider all of the information set forth below.

Terms used herein are as defined in Section 1 (*Definitions*) of the Terms and Conditions of the Bonds.

Risks Relating to the Bonds

No Secondary Market

Although application will be made to list the Bonds on the Luxembourg Stock Exchange's Euro MTF market, there can be no assurance that admission will be granted or that following such admission, due to possible liquidity constraints a secondary market may not develop in respect of the Bonds.

Limited Recourse of Bondholders

The Issuer will use the proceeds from the issuance of the Bonds to purchase the Vallourec Shares underlying the Bonds. The Issuer has entered into the Securities Loan Agreement with Deutsche Bank pursuant to which the Issuer will lend all Vallourec Shares underlying the Bonds to Deutsche Bank. The Issuer is entitled under the Securities Loan Agreement, *inter alia*, to receive a loan fee which corresponds to the Fixed Interest Payments owed by the Issuer to the Bondholders under the Bonds and, upon termination of the Securities Loan Agreement, to receive from Deutsche Bank the Relevant Proportion of the Reference Property which the Issuer is obliged to deliver to the Bondholders under the Bonds. The claims of the Issuer under the Securities Loan Agreement constitute the sole Assets of the Issuer and all claims of the Bondholders against the Issuer are limited to the Assets. Other than the distribution of the proceeds from and enforcement or other realization of the Assets, the Issuer is not obliged to make further payments or distributions to the Bondholders. If the Assets are not sufficient for a final settlement in full of the claims of the Bondholders against the Issuer, the Issuer will not be liable for any outstanding amounts and the Bondholders are not entitled to any further claims against the Issuer.

Consequences of Winding-up Proceedings of the Issuer

If the Issuer fails for any reason to meet its obligations or liabilities (that is, if the Issuer is unable to pay its debts and may obtain no further credit), a creditor may be entitled to make an application for the commencement of insolvency proceedings against the Issuer. The commencement of such proceedings may involve certain conditions, entitle creditors to terminate contracts with the Issuer and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Issuer's assets being realised and applied to pay the fees and costs of the liquidator, debts preferred by law and debts payable in insolvency, before any surplus is distributed to the Bondholders. In the event of proceedings being commenced, the Issuer may not be able to deliver the Relevant Proportion of the Reference Property, any amount of interest and any other or alternative amounts anticipated by the Terms and Conditions of the Bonds.

Conditional Payment Obligations of the Issuer.

Any payment obligations and obligations for the delivery of Bonds of the Issuer under or in connection with Terms and Conditions of the Bonds are conditional upon actual receipt by the Issuer of a corresponding payment or delivery without deduction under the Securities Loan Agreement. If the Issuer has not actually received (in part or in full) such payment or delivery (due to a deduction resulting from tax or for other reasons), the Bondholders will only be entitled to payment or delivery of a *pro rata* share in such lower amount or securities actually transferred to the Issuer by Deutsche Bank under the Securities Loan Agreement. Furthermore, if Deutsche Bank is unable to meet its obligations or liabilities (that is, if Deutsche Bank is unable to pay its debts and may obtain no further credit) under the Securities Loan Agreement, the Issuer may not be able to deliver the Relevant Proportion of the Reference Property, any amount of interest and any other or alternative amounts anticipated by the Terms and Conditions of the Bonds.

Early Exchange.

Although the Bonds are scheduled to be exchanged on the Maturity Date, the Bonds may be exchanged by the Issuer sooner following the launching of a Takeover Offer. In the case of a Takeover Offer, the Issuer is entitled to redeem the Bonds in whole but not in part within 20 calendar days after the Takeover Offer Effective Date (exclusive) and to pay or deliver, respectively, the Relevant Proportion of the Reference Property and the Discounted Fixed Interest. The

Discounted Fixed Interest shall be calculated by the Calculation Agent.

Withholding Tax.

The Issuer may be compelled by any applicable law to deduct or withhold for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of any country which claims fiscal jurisdiction or any taxing authority in such country such taxes, duties or governmental charges. In that event, the Issuer will deduct or withhold such taxes, duties or governmental charges and pay the amounts deducted or withheld to the competent authorities. The Issuer will not be obliged to pay any additional amounts of capital and/or interest on account of such deduction or withholding.

Risks relating to the Reference Property

No direct rights with respect to the Reference Property

Subject to the provisions of the Securities Loan Agreement, Deutsche Bank can decide in its sole discretion, how to exercise any kind of voting or other rights with respect to the Reference Property. In particular, bondholders will have no voting or other rights in respect of the Reference Property, and will have no right to direct the Issuer or Deutsche Bank as to how to exercise its rights in respect of the Reference Property.

The value of the Reference Property may decline

The value of the Reference Property may decline depending on market trends, including performance of Vallourec and the availability of Vallourec Shares. In particular, the value of the Reference Property may vary substantially between the date on which exchange rights are exercised and the date on which the Reference Property is delivered. Furthermore, the Reference Property is subject to adjustments in certain circumstances.

Disclosure in relation to Vallourec

Vallourec has not participated in establishing the terms of the Bonds. Consequently, there can be no assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available information relating to Vallourec) that would affect the trading price of the Vallourec Shares, and therefore the value of the Bonds, have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning Vallourec could affect the trading prices of the Shares deliverable upon exchange of the Bonds and therefore the value of the Bonds.

Costs associated with exercise of exchange rights and mandatory exchange

Bondholders are required to pay certain costs arising on exchange, including any stamp, issue, registration or documentary, transfer or other similar taxes and duties (if any) arising on exchange and/or the transfer, delivery or other disposition of Reference Property arising on the exercise of Exchange Rights, as more fully described under the Terms and Conditions of the Bonds.

SUMMARY

The following is a summary of the principal features of the Bonds and is qualified by the detailed information appearing elsewhere in this Information Memorandum, and in particular in the sections entitled "Terms and Conditions of the Bonds". Terms used in this summary and not otherwise defined have the meanings given in the "Terms and Conditions of the Bonds".

Issuer:	Figaro Finance Limited, a limited liability company established under Jersey law.
Bonds:	€452,600,000 3.875 per cent. Secured Exchangeable Bonds due 2009 exchangeable into ordinary shares of €4 each in Vallourec S.A.
Issue Date:	18 September 2006
Joint Bookrunners:	Deutsche Bank AG Lehman Brothers International (Europe)
Status and Security:	The Bonds will be secured, limited recourse obligations of the Issuer, ranking <i>pari passu</i> without any preference among themselves. Recourse in respect of the Bonds will be limited to the claims of the Issuer from the Securities Loan Agreement against Deutsche Bank.
Security:	The Issuer has assigned its claims under the Securities Loan Agreement to the Security Trustee as security agent for the benefit of the Bondholders in order to secure the rights of the Bondholders under the Bonds.
Security Trustee:	HSBC Trustee (C.I.) Limited
Paying and Exchange Agent	HSBC Bank plc
Issue Price:	100 per cent. of principal amount.
Form of Bonds:	The Bonds will be issued in registered form and will be evidenced by a global bond, which will be deposited with a common depository on behalf of, Euroclear and Clearstream, Luxembourg.
Denomination	€100,000 per Bond.
Mandatory Exchange	Unless previously exchanged, each Bond outstanding on the Maturity Date shall be mandatorily exchanged for a <i>pro rata</i> share of the Reference Property on the Maturity Date.
Maturity Date	September 18, 2009, subject to a postponement in case of market disruption
Reference Property	The Reference Property into which the Bonds are exchangeable will initially comprise, on a notional basis, 2,920,000 Vallourec Shares and shall, subject to § 10(b) and § 10(h) of the Conditions, include all Other Relevant Securities and other properties arising out of

or derived or resulting therefrom and such other property, in each case, as may comprise all or part of the Reference Property.

Early Exchange at the Option of the Issuer:

The Issuer shall have the right in case of a Takeover Offer to redeem the Bonds in whole but not in part within 20 calendar days after the Takeover Offer Effective Date (exclusive) and to pay or deliver, respectively, a *pro rata* share of the Reference Property and the Discounted Fixed Interest.

Fixed Interest

Each Bond shall bear interest on its then outstanding principal amount at a rate of 3.875 per cent. *per annum* as from (and including) the Issue Date, payable annually in arrear commencing on 18 September 2007.

Additional Interest

If a Cash Dividend or Other Cash Distribution is made, Bondholders shall be entitled to an amount equal to the amount the relevant Bondholder would have been entitled if he had been holder of the relevant *pro rata share* of the Reference Property on the Record Date for the relevant Cash Dividend or Other Cash Distribution less the Relevant Tax Amount.

Exchange Right

Each Bondholder shall have the right (the ***Exchange Right***) to exchange his Bonds at any time during the Exchange Period for a *pro rata share* of the Reference Property.

Exchange Period

The Exchange Right for each Bond may, subject to applicable national laws and other applicable regulations, be exercised at any time during the period from (and including) the 41st day following the Issue Date to (and including) the 20th Stock Exchange Trading Day prior to the Maturity Date.

Cross Default

None.

Withholding Tax

All payments under the Bonds shall be paid by the Issuer without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of any country which claims fiscal jurisdiction or any taxing authority in such country, unless the Issuer is or will be compelled by any applicable law to deduct or withhold such taxes, duties or charges.

Governing Law of Bonds

German law.

Listing

Application will be made to list the Bonds on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market.

Use of Proceeds

The Issuer will use the proceeds from the issuance of the Bonds to purchase the Vallourec shares underlying the Bonds.

TERMS AND CONDITIONS OF THE BONDS

The following is the text of the terms and conditions which will be applicable to the Global Certificates.

[•]

USE OF PROCEEDS

The net proceeds from the issue of the Bonds (being approximately €440 million) will be used by the Issuer to purchase the Vallourec Shares underlying the Bonds.

TERMS AND CONDITIONS OF THE SECURITY LOAN AGREEMENT

[•]

DESCRIPTION OF THE SECURITY ASSIGNMENT AGREEMENT

On 18 September 2006, the Issuer, Deutsche Bank Aktiengesellschaft and HSBC Trustee (C.I.) Limited, acting as security trustee for the benefit of the Bondholders (the *Security Trustee*), entered into the Security Assignment Agreement.

Under the Security Assignment Agreement, the Issuer assigns to the Security Trustee all its (present and future, conditional and unconditional) claims against Deutsche Bank Aktiengesellschaft under the Securities Loan Agreement. The claims to be assigned under the Security Assignment Agreement are the *Assigned Claims*. The Security Assignment Agreement provides that any existing claims under the Securities Loan Agreement shall pass to the Security Trustee immediately and that any and all future payment claims under the Securities Loan Agreement shall pass to the Security Trustee as they arise.

The purpose of the assignment of the claims under the Security Assignment Agreement is to create collateral for the benefit of Bondholders in order to secure the Bondholders' claims for interest payments under the Bonds and distributions upon redemption of the Bonds.

Under the Security Assignment Agreement, the Security Trustee holds the Assigned Claims in trust for the benefit of the Bondholders to secure payments and deliveries of securities to be made to the Bondholders under the Bonds.

In case the payments and deliveries of securities due in respect of the Assigned Claims are not made as and when due, the Security Trustee is obliged immediately to assert any such claims against the debtor thereof.

The Security Assignment Agreement further provides that the Issuer may not dispose of the Assigned Claims. In particular, the Issuer is prohibited from encumbering the Assigned Claims with any third party rights or taking any action that might adversely affect or jeopardise the Assigned Claims.

Pursuant to the Security Assignment Agreement, the Security Trustee may retire at any time. However, such retirement will not take effect until (i) the appointment of a new security trustee, (ii) the transfer of all Assigned Claims to such new security trustee and (iii) the accession to the Security Assignment Agreement by such new security trustee.

The Security Assignment Agreement is governed by, and construed in accordance with, German law.

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated in Jersey as a public limited liability company with unlimited duration on 7th August 2006 under the name Figaro Finance Limited and is registered with the Jersey Registrar of Companies under no. 94199.

The registered office of the Issuer is at 47 Esplanade, St. Helier, Jersey, JE1 0BD. The share capital of the Issuer £10,000 divided into 10,000 shares of £1.00 each of which 10 shares of £1.00 each have been issued and are fully paid.

Corporate objects

Under Jersey law, the Issuer is not required to include in its memorandum of association an objects clause and its corporate capacity is not therefore limited. The Issuer is a limited liability company established specifically for the purpose of raising capital by the issue of the Bonds, to use the net proceeds from the issue of the Bonds to purchase the Vallourec Shares and to lend the Vallourec Shares to Deutsche Bank pursuant to the Securities Loan Agreement.

Business

The Issuer has, and will have, no assets other than the sum of £10 representing the issued and paid-up share capital and the claims of the Issuer under the Securities Loan Agreement.

The Bonds are obligations of the Issuer alone and not of, or guaranteed in any way. Furthermore, they are not obligations of, or guaranteed in any way by, Deutsche Bank or any of the Agents.

Capitalization and Indebtedness of the Issuer

The expected capitalisation and indebtedness of the Issuer on 18 September is as follows:

Share Capital

Authorised: £10,000 divided into 10,000 Shares of £1 each; Issued: £10 divided into 10 Shares of £1 each)	£10
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Outstanding indebtedness

Secured Exchangeable Bonds due 2009	€452,600,000
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Directors and Secretary of the Issuer

The Directors of the Issuer and their other principal activities are as follows:

<i>Name</i>	<i>Principal Activities</i>
Peter John Richardson	Director of Structured Finance Management Offshore Limited
Elizabeth Ann Mills	Director of Structured Finance Management Offshore Limited

The business address of the directors is 47 Esplanade, St. Helier, Jersey, JE1 0BD.

The company secretary of the Issuer is Structured Finance Management Offshore Limited, whose business address 47 Esplanade, St. Helier, Jersey, JE1 0BD.

External Auditor

The external auditor of the Issuer is PriceWaterhouseCoopers Jersey.

Annual General Meeting

The annual general meeting of the Issuer takes place each year at the registered office of the Issuer.

Since its date of incorporation, no financial statements of the Issuer have been prepared. The Issuer intends to publish its first financial statements in respect of the period ending 31 December 2006, and expects that such financial statements will be available in June 2007. Any future published financial statements prepared by the Issuer (which will be in respect of the period ending 31 December in each year) will be available from the Luxembourg Paying Agent. The Issuer does not produce interim financial statements.

The issue of this Information Memorandum and the issue of Bonds thereunder were authorised by a resolution of the Board of Directors of the Issuer passed on 15 September 2006.

OVERVIEW OF VALLOUREC AND THE VALLOUREC SHARES

The information contained in this Information Memorandum relating to Vallourec and the Vallourec Shares has been extracted and reproduced from, or is a summary of, publicly available information published by Vallourec on its website (www.vallourec.fr).

The Issuer accepts responsibility for the accuracy of such extraction and reproduction or, as the case may be, summary of such information but accepts no further or other responsibility in respect of such information.

Defined terms used in this section may be different from those used elsewhere in this Information Memorandum and should be read as defined in the Vallourec Group's Annual Report for the fiscal year ended 31 December 2005.

The Vallourec Group's Annual Reports for the fiscal years ended 31 December 2005, 2004 and 2003, press releases and financial statements may be found on its website (URL: <http://vallourec.fr/uk/actionnaires/rapport.asp>).

1. Vallourec S.A.

According to the 2005 Annual Report of the Vallourec Group, Vallourec is a company limited by shares (*société anonyme*) organised under the laws of France, with its registered office at 130, rue de Silly, 92100 Boulogne-Billancourt (France). Vallourec S.A. is registered with the Nanterre (Hauts-de-Seine) Trade and Companies Registry under no. 552 142 200 – APE 741 J. Vallourec has opted on 14 June 1994 for a management structure comprising a Management Board and a Supervisory Board.

Vallourec is listed on the Euronext Paris Eurolist (ISIN FR0000120354).

Vallourec is engaged in the production of seamless tubes and specific tubular products for industrial applications. Vallourec has specialized in particular in products for complex and demanding industrial applications (extreme temperature, pressure, corrosion etc.) notably in the energy sector (oil and gas, and power generation). During the fiscal year ended 31 December 2005, it was comprised of two segments: the V&M TUBES segment and the Automotive Industry and Stainless Steel segment.

The V&M TUBES segment brings together all the entities with production and marketing facilities dedicated to the Vallourec Group's main activity, i.e. the production of hot-rolled seamless carbon and alloy steel tubes, both smooth and threaded, for the oil and gas industry. This activity is characterized by an integrated manufacturing process, for the production of the steel and the hot-rolling right through to the final stages, facilitating the manufacture of products that are suitable for a variety of markets (oil & gas, power generations, chemicals and petrochemicals, automotive and mechanical engineering, etc.).

The Automotive, Industry and Stainless Steel segment, incorporates primarily the specific forming and machining activities (in particular, the production of precision tubes and automotive components), that exhibit certain similarities in terms of risks and performance due to their business cycles. This segment also incorporates a number of other activities, such as the production of stainless steel tubes and forged products.

2. Vallourec Shares

2.1 Share capital

According to the 2005 Annual Report of the Vallourec Group, as of 31 December 2005, Vallourec's issued share capital amounted to €212,006,640 divided into 10,600,332 fully paid bearer shares with a nominal value of €20,- each.

A proposal to divide the value of the share by five was approved by Vallourec's shareholders during the Extraordinary General Meeting of 1 June 2006. The transaction took place on 18 July 2006, on which date the number of Vallourec shares was multiplied by a factor of five.

In material terms, on 18 July 2006 each Vallourec shareholder was allocated five new shares in exchange for each existing share held.

The share split had no impact on either Vallourec's market capitalization or on the Company's value, nor had the transaction any effect on the overall value of investors' holdings in the Company.

2.2 Shareholders rights and shareholders meetings

According to the 2005 Annual Report of the Vallourec Group, the general meeting is open to all Vallourec shareholders, irrespective of the number of shares held. Each shareholder attending the general meeting has as many votes as shares owned or represented, unless there are legal requirements to the contrary. However, fully paid-up shares duly registered in the name of the same shareholder for four years have double the voting rights conferred on other shares (Article 12 paragraph 4 of the By-laws of Vallourec).

The object of the third resolution submitted the Extraordinary General Meeting on 1 June 2006 was to supplement Article 8 of the By-laws by introducing an additional requirement to provide information when thresholds are crossed other than those already provided by the prevailing legislation.

“In addition to the declarations of crossing thresholds expressly provided by Articles L. 233-7-I and II of the French Code de Commerce, any shareholder (individual or corporate body) that acquires, directly or indirectly by means of companies controlled by the shareholder within the meaning of Article L. 233-3 of the French Code de Commerce, acting singly or jointly, a number of the Company's bearer shares equal to or greater than three (3), four (4), six (6), seven (7), eight (8), nine (9) and twelve and a half (12.5) per cent of the total number of shares making up the share capital must, within five (5) trading days of crossing said threshold, inform the Company of the total number of shares it holds, by letter sent by recorded delivery with advice of receipt to the Company's registered office.

The information specified in the preceding clause must also be given within the same timescale and under the same terms when a shareholding falls under the thresholds referred to in said clause.”

The Company has the right to request the identification of holders of securities granting an immediate or future right to vote in its General Meetings and evidence of the quantities held, under the provisions of current legislation (Article 8 of the By-laws of Vallourec).

3. Listing

The Vallourec shares are listed in France on the Euronext Paris Eurolist (ISIN FR 0000120354).

TAXATION

The statements below regarding taxation are based on the law and practice of the relevant specified jurisdiction at the date of this Information Memorandum and are subject to any subsequent changes in law or practice (which could be made on a retroactive basis). The following statements do not constitute tax advice and do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and may not apply equally to all persons. Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the tax consequences of their ownership of the Bonds.

1. Taxation in Jersey

The Issuer has been granted "exempt company" status within the meaning of Article 123A of the Income Tax (Jersey) Law, 1961, as amended, for the calendar year ending 31 December 2006. Application for "exempt company" status must be made to the Comptroller of Income Tax in Jersey on an annual basis. The application must be accompanied by the payment of an annual exempt company charge which is currently £600. The retention of "exempt company" status is conditional upon and subject to the Comptroller of Income Tax being satisfied that, amongst other things, no Jersey resident has a beneficial interest in the Issuer, except as permitted by concessions granted by the Comptroller of Income Tax.

The effect of "exempt company" status is that the Issuer will be treated as not resident in Jersey for Jersey taxation purposes even though it is incorporated, managed and controlled in Jersey. As an "exempt company", the Issuer will not be liable to Jersey income tax other than on Jersey source income (except by concession bank deposit interest on Jersey bank accounts). For so long as the Issuer is an "exempt company", payments in respect of the Bonds to persons who are not resident in Jersey for tax purposes will not be subject to taxation in Jersey and no withholding or deduction for or on account of Jersey taxation will be required to be made on any such payment made to a holder of the Bonds.

No stamp duties are payable in Jersey on the issue or transfer of the Bonds. In the event of the death of an individual sole holder of the Bonds Jersey probate or letters of administration may be required in order to transfer or otherwise deal with the Bonds held by the deceased holder. Duty is payable in Jersey on the registration of Jersey probate or letters of administration at rates of up to 0.75 per cent of the value of the deceased holder's estate in Jersey.

2. European Union Directive on Taxation of Savings Income

As part of an agreement reached in connection with the European Union ("EU") directive on the taxation of savings income in the form of interest payments, and in line with steps taken by other relevant third countries, Jersey introduced with effect from 1 July, 2005 a retention tax system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU Member State by a paying agent established in Jersey. The retention tax system applies for a transitional period prior to the implementation of a system of automatic communication to EU Member States of information regarding such payments. During this transitional period, such an individual beneficial owner resident in an EU Member State will be entitled to request a paying agent not to retain tax from such payments but instead to apply a system by which the details of such payments are communicated to the tax authorities of the EU Member State in which the beneficial owner is resident.

The retention tax system in Jersey is implemented by means of bilateral agreements with each of the EU Member States, the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005 and Guidance Notes issued by the Policy & Resources Committee of the States of Jersey. Based on these provisions and what is understood to be the current practice of the Jersey tax authorities, the Issuer would not be obliged to levy retention tax in Jersey under these provisions in respect of interest payments made by it to a paying agent established outside Jersey.

3. European Union Code of Conduct on Business Taxation

On 3 June, 2003, the European Union Council of Economics and Finance Ministers reached political agreement on certain issues relating to its Code of Conduct on Business Taxation (the "Code"). Jersey is not a member of the EU and is not subject to EU fiscal legislation but is a dependent territory of the United Kingdom. The Policy

and Resources Committee of the States of Jersey has announced that, in keeping with Jersey's policy of constructive international engagement, it intends to propose legislation to replace the Jersey exempt company regime by the end of 2008 with a general zero rate of corporate tax (except for certain categories of company (not including the Issuer) which will be subject to tax at a rate of 10 per cent.).

4. Taxation in Luxembourg

Withholding tax

(a) Residents

Under Luxembourg tax laws currently in force, there is no withholding tax on payments of principal, premium or interest, nor on accrued but unpaid interest, in respect of the Bonds made to Luxembourg resident holders of Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Bonds held by Luxembourg resident holders of Bonds.

(b) Non-Residents

Under Luxembourg tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to holders of Bonds nor on accrued but unpaid interest in respect of the Bonds, made to non-residents holders of Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Bonds held by non-resident holders of Bonds.

However, under the Luxembourg laws of 21 June 2005 (the "Laws"), implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**Savings Directive**"), and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of an EU Member State other than Luxembourg or of one of the Territories, will be subject to a withholding tax unless the relevant beneficiary has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her country of residence or deemed residence or has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 15 per cent. during the first three-year period starting 1 July 2005, at a rate of 20 per cent. for the subsequent three-year period and at a rate of 35 per cent. thereafter. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Income Taxation of Bondholders

Bondholders who are non-residents of Luxembourg and who do not hold the Bonds through a permanent establishment or a fixed place of business in Luxembourg are not liable to Luxembourg income tax on payments of principal or interest, accrued but unpaid interest, payments received upon redemption of the Bonds, or gains realised on the sale or disposal of Bonds.

A Luxembourg Bondholder that is governed by the law of 31 July 1929 on pure holding companies, as amended, or by the laws of 30 March 1988 and 20 December 2002 on undertakings for collective investment, as amended, is neither subject to Luxembourg income tax in respect of interest accrued or received, nor on gains realized on the sale or disposal of Bonds, in any form whatsoever, the exchange of Bonds into Exchange Property being deemed a disposal of Bonds.

A corporate holder of Bonds, who is resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg to which the Bonds are attributable, must include any interest received or accrued, any redemption premium, as well as any gain realized on the sale or disposal of Bonds, in any form whatsoever, the exchange of Bonds into Exchange Property being deemed a disposal of Bonds, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual holder of Bonds, acting in the course of the management of a professional or business undertaking, who is resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Bonds are attributable. Under certain circumstances gains realised on the exchange of Bonds into Exchange Property may not be disclosed for tax purposes, in which case any portion of such gains corresponding to accrued but unpaid interest would nevertheless be subject to taxation.

An individual holder of Bonds, acting in the course of the management of his/her private wealth, who is resident of Luxembourg for tax purposes, is subject to Luxembourg income tax in respect of interest and redemption premiums under the Bonds. A gain realised by an individual holder of Bonds, acting in the course of the management of his/her private wealth, who is resident of Luxembourg for tax purposes, upon the sale or disposal of Bonds, in any form whatsoever, the exchange of Bonds into Exchange Property being deemed a disposal of Bonds, is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Bonds were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax.

Net Wealth Taxation of Bondholders

Any Bondholder, whether he/she/it is resident of Luxembourg for tax purposes or, if not, he/she/ it maintains a permanent establishment or a fixed place of business in Luxembourg to which the Bonds are attributable, is subject to Luxembourg wealth tax on such Bonds, except if the Bondholder is governed by the law of 31 July 1929 on pure holding companies, as amended, or by the laws of 30 March 1988 and 20 December 2002 on undertakings for collective investment, as amended, or is a securitization company governed by the law of 22 March 2004 on securitization, or it a capital company governed by the law of 15 June 2004 on venture capital vehicles.

Other Taxes

Neither the issuance nor the transfer of Bonds will give rise to any Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties.

Where a Bondholder is a resident of Luxembourg for tax purposes at the time of this death, the Bonds are included in his taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Bonds if embodied in a Luxembourg deed or recorded in Luxembourg.

A holder of Bonds, who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Bonds are attributable, is subject to Luxembourg income tax in respect of the interest paid or accrued on the Bonds.

Under Luxembourg domestic tax law, gains realized by an individual holder of Bonds, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Bonds are not subject to Luxembourg income tax, provided this sale or disposal took place after six months of the acquisition of the Bonds. An individual holder of Bonds, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid interest in respect of the Bonds in his taxable income. Gains realized by a corporate holder of Bonds or by an individual holder of Bonds, who acts in the course of the management of a professional or business undertaking, who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Bonds are attributable, on the sale or disposal, in any form whatsoever, of Bonds are subject to Luxembourg income tax. Gains realized by a non-resident holder of Bonds, who does not have a permanent establishment or fixed place of business in Luxembourg, to which the Bonds are attributable, on the sale or disposal of Bonds are not subject to Luxembourg income tax.

A Luxembourg holder of Bonds that is governed by the law of 31 July 1929 on pure holding companies or by the laws of 30 March 1988 and of 20 December 2002 on undertakings for collective investment, each as amended, will not be subject to any Luxembourg income tax in respect of interest received or accrued on the Bonds, or on gains realised on the sale or disposal of Bonds.

Under present Luxembourg tax law, a Bondholder who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Bonds of the Issuer are attributable, has to take into account these Bonds for purposes of the Luxembourg wealth tax, except, under certain circumstances, if the Bondholder is governed by the law of 31 July 1929 on pure holding companies or by the laws of 30 March 1988 and of 20 December 2002 on undertakings for collective investment, each as amended.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

The Joint Bookrunners have, in a subscription agreement dated 18 September 2006 (the "**Subscription Agreement**") and made between the Issuer, and the Joint Bookrunners upon the terms and subject to the conditions contained therein, severally agreed to subscribe for the aggregate principal amount of the Bonds set out opposite their respective names below:

	Principal amount of Bonds (euro)
Deutsche Bank AG, London Branch	[•]
Lehman Brothers International (Europe)	[•]
	<hr/> 452,600,000 <hr/>

The Issuer has agreed to pay to the Joint Bookrunners fees agreed separately.

The Issuer has also agreed to reimburse the Joint Bookrunners for their reasonable expenses incurred in connection with the management of the issue of the Bonds.

Transfer Restrictions

European Economic Area

This Information Memorandum has been prepared on the basis that all offers of Bonds will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the European Economic Area, or EEA, from the requirement to produce an approved prospectus for offers of securities. Accordingly, any person making or intending to make any offer, resale or other transfer within the EEA of Bonds subject of the placement contemplated in this Information Memorandum may only do so in circumstances under which no obligation arises for the Issuer or the Joint Bookrunners to produce an approved prospectus for such offer. Neither the Issuer nor the Joint Bookrunners have authorized the making of any offer of Bonds through any financial intermediary, other than offers made by the Joint Bookrunners which constitute the final placement of Bonds contemplated in this Information Memorandum.

In relation to each Member State of the EEA, or Relevant Member State, which has implemented the Prospectus Directive an offer to the public of any Bonds which are the subject of the offering contemplated by this Information Memorandum may not be made in that Relevant Member State, *except that* an offer to the public in that Relevant Member State of any offered Bonds may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to qualified investors as defined in Article 2.1. (e), 2.2 of the Prospectus Directive, as implemented in the relevant Member States of the EEA;
- by the Joint Bookrunners to fewer than 100 natural or legal persons (other than qualified institutional investors as defined in the Prospectus Directive as implemented in the Relevant Member States of the EEA); or

in any other circumstances falling within Article 3(2) of the Prospectus Directive, as implemented in the relevant Member States of the EEA, provided that no such offer of Bonds shall result in a requirement for the publication by the Issuer or the Arranger of an approved prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to the offered Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the offered Bonds so as to enable an investor to decide to purchase the offered Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and includes any relevant implementing measure in each Relevant Member State.

United States

The Issuer has not been and will not be registered under the Investment Company Act and the Bonds have not been and will not be registered under the Securities Act. Consequently, the Bonds may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons

(as such term is defined in Regulation S under the Securities Act) except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require the Issuer to register under the Investment Company Act.

United Kingdom

Pursuant to the Subscription Agreement each Joint Bookrunner has severally represented to, and agreed with, the Issuer that:

- (i) it has only communicated or caused to be communicated, and it will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”)) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA (and all rules and regulations made pursuant to the FSMA), with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Jersey

Pursuant to the Subscription Agreement each Joint Bookrunner has severally represented to, and agreed with, the Issuer that:

- (a) Bonds may not be offered to, sold to or purchased or held by or for the account of persons (other than financial institutions in the normal course of business) resident for income tax purposes in Jersey; and
- (b) it will not make any offer or invitation on behalf of the Issuer in respect of the Bonds until such time as the necessary consents of the Registrar of Companies in Jersey to the making of such offer or invitation has been obtained and is effective.

General

No action has been or will be taken in any jurisdiction by the Issuer or any Joint Bookrunner that would, or is intended to, permit a public offering of the Bonds, or possession or distribution of this Information Memorandum or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Information Memorandum comes are required by the Issuer and the Joint Bookrunners to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Bonds or have in their possession, distribute or publish this Information Memorandum or any other offering material relating to the Bonds, in all cases at their own expense.

GENERAL INFORMATION

- (1) The Issuer has obtained all necessary consents, approvals and authorizations (if any) which are necessary in Luxembourg or Jersey at the date of this Information Memorandum in connection with the issue and performance of the Bonds. The issue of the Bonds was authorized by a resolution of the Board of Directors of the Issuer passed on 18 September 2006.
- (2) There are no, nor have there been any, litigation or arbitration proceedings (including any such proceedings which are pending or threatened) of which the Issuer is aware, which may have or have had during the 12 months prior to the date of this Prospectus a significant effect on the financial position of the Issuer.
- (3) Bonds have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code of the Bonds is 026431913, and the ISIN is XS0264319137.
- (4) From the date of this Information Memorandum and for so long as any Bonds remain outstanding, the following documents will be obtainable free of charge, during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer and the specified offices of the the Paying and Exchange Agent in Luxembourg (and copies of the document specified in sub-paragraph (ii) below may be obtained free of charge from the specified office of the Paying and Exchange Agent in Luxembourg):
 - (i) the articles of incorporation of the Issuer;
 - (ii) the Information Memorandum; and
 - (iii) the most recently published audited and (if any) unaudited financial statements of the Issuer.
- (5) The Issuer is a company incorporated under the laws of Jersey. No Director of the Issuer is a resident of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in the United States courts predicated upon the civil liability provisions of the federal securities laws of the United States.
- (6) The admission of the Bonds for trading on the Euro MTF, which is the alternative market of the Luxembourg Stock Exchange, and the listing of the Bonds on the Official List of the Luxembourg Stock Exchange is expected to take effect in September 2006. The Euro MTF is not a regulated market according to the provisions of the Directive 2004/39/EC. The listing of the Bonds on the Euro MTF will be expressed as a percentage of their principal amount (exclusive of accrued interest).
- (7) Save as disclosed in this Information Memorandum, since the date of its incorporation there has been no significant change which would have a material adverse effect on (i) the financial or trading position of the Issuer.
- (8) The financial statements of the Issuer will be audited by Price Waterhouse Coopers, Jersey, independent statutory auditor of the Issuer.

REGISTERED OFFICE OF THE ISSUER

47 Esplanade
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Jersey
JE1 0BD

AGENTS

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